GOVERNMENT OF INDIA
HEALTH AND FAMILY WELFARE
LOK SABHA

UNSTARRED QUESTION NO:1514
ANSWERED ON:04.03.2016
Merger of Pharmaceutical Pricing Authority
Premachandran Shri N.K.

Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state:

Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state:

(a) whether the Government proposes to merge the National Pharmaceutical Pricing Authority (NPPA) under the Ministry of Health and Family Welfare;

(b) if so, the details thereof;

(c) whether the decision of NPPA is adversely affecting patients due to the increase of price of life saving medicines;

(d) if so, the action taken by the Government to supply the life saving medicines to patient in consultation with the health authorities; and

(e) whether the Government proposes to establish a permanent system for pricing of pharmaceuticals and if so, the details thereof?

Answer

ANSWER
THE MINISTER OF HEALTH AND FAMILY WELFARE
(SHRI JAGAT PRAKASH NADDA)
(a) & (b): No such proposal is under consideration in the Ministry of Health and Family Welfare at present.

(c) to (e): Pursuant to the announcement of the National Pharmaceutical Pricing Policy, 2012, the Government notified Drugs (Prices Control) Order, 2013 (DPCO, 2013) on 15th May, 2013. The National Pharmaceuticals Pricing Authority (NPPA) fixes the ceiling prices of scheduled medicines listed in the First Schedule of DPCO, 2013 on market-based pricing methodology. The NPPA has fixed ceiling prices of 530 scheduled medicines based on market-price data under the provisions of the said order. The Authority has further capped the Maximum Retail Price of 106 medicines under paragraph 19 of DPCO, 2013, out of which 84 are used for treatment of cardiovascular diseases and 22 for diabetes. It has also fixed the retail price of 283 'new drugs' (which fall within the purview of para 2(u) of DPCO, 2013. The functioning of the NPPA has, as such, helped in restricting the increase in the prices of medicines and ensuring their affordability.